

Examining the mediating role of workforce agility in the relationship between emotional intelligence and workforce performance in small entrepreneurial firms in India

Anil Kumar M.S.¹ & Dr. Emil Joseph^{2*}

¹PK Das Liberal College of Arts and Science, Lakkidi, Kerala, India.

²Assistant Professor, St. Joseph's College of Commerce, Bangalore, Karnataka, India.

Corresponding Author Email: emiljoseph333@gmail.com*



DOI: <https://doi.org/10.46382/MJBAS.2025.9303>

Copyright © 2025 Anil Kumar M.S. & Dr. Emil Joseph. This is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited.

Article Received: 09 May 2025

Article Accepted: 18 July 2025

Article Published: 25 July 2025

ABSTRACT

Small firms drive the economy but frequently falter due to a lack of knowledge and resources. To investigate the effect of emotional intelligence on workforce agility and performance, a research study was designed and conducted at six small entrepreneurial organizations based in India. Task performance, adaptive performance, and contextual performance comprised the workplace performance factors examined. The results indicated that workforce agility mediated the relationships between emotional intelligence and work performance, but only for adaptive and contextual performance, not for task performance. The study offers implications for proactive practices that entrepreneurial small businesses can adopt to enhance employee productivity, given the increasingly unstable business environment today. The study examined the relationship between workforce agility, emotional intelligence, and workforce performance in small entrepreneurial firms in India. Through the study of six such organizations, the study investigated three domains of group performance: task performance, adaptive performance, and contextual performance. The study revealed that workforce agility mediated the relationship between emotional intelligence and work performance, specifically adaptive and contextual performance, but not task performance. The findings offer implications for entrepreneurial small firms seeking to sustain or accelerate productivity and growth under turbulent business conditions.

Keywords: Workforce Agility; Task Performance; Adaptive Performance; Firms in India; Emotional Intelligence; Work Performance.

1. Introduction

SMEs (Small and Medium Enterprises) are considered crucial for economic growth and development in emerging economies like India. Nonetheless, these companies often struggle with workforce management due to a lack of resources and skills. Emotional intelligence (EI) (Mandhanya & Verma, 2019; Shetty & Shankar, 2019). Emotional intelligence (EI) has been identified as a crucial factor in enhancing workforce performance among small firms. Additionally, in an environment that continually evolves and requires rapid decision-making, business agility is a crucial skill for companies that aim not only to survive but also to thrive (Das & Pattnaik, 2019; Liao et al., 2017; Pradhan & Jena, 2020). Despite these findings, the association among workforce agility, EI, and workforce performance in small entrepreneur firms remained unaddressed, especially in an Indian context. To address the above research gap, this study sought to examine the relationship between workforce agility, EI, and workforce performance in small entrepreneurial firms in India. In particular, the research examined workplace performance in three facets: task, adaptive, and contextual performance. Through a sample of six small entrepreneurial firms in India, the study examined the connection between workforce agility and EI with the three performance categories. The objective of the study was to identify hues that could benefit small and entrepreneurial organizations operating in India, thereby enhancing the performance and productivity of their employees. Small businesses are critical engines that drive our national economy, yet many lacks the resources and expertise needed to make them profitable. In today's era of fast-moving businesses, companies take on tremendous challenges like tough competition, technological shifts, and customers being more demanding than they used to be. To respond to this challenge, this study sought to investigate the relationship between EI and workforce

performance in entrepreneurial organizations, based on the mediating role of workforce agility. Workforce performance is a complicated concept, which refers to the effectiveness and the efficiency of work in an organization. It forms an important part of organizational evaluation and measuring performance (Ahmad et al., 2016). In the current study, we used the task performance, contextual performance, and adaptive performance to assess employee performance. Although the concept of workforce agility can be difficult to define and controversial among scholars, it is generally considered as an organisation's capability to react to changes in market shifts and customer demand. For small start-up enterprises, workforce agility of their employees is the extent to which those employees are able to develop new skills and to adapt to new and changing circumstances, as well as the career progression of those people within the company. To explore the relationship among workforce agility, emotional intelligence, and workforce performance, three hypotheses were proposed and we gathered data from 400 employees of six small entrepreneurial firms in India. The measurement of effective workforce agility as the mediating variable between EI and individual work performance incorporates adaptive performance and contextual performance. Unfortunately, such orientation did not have a large impact on the task though. Our study findings have implications to suggest that small entrepreneurial firms can enhance employee productivity and performance thorough the encouragement of emotional intelligence and workforce agility.

1.1. Workforce performance

The performance of an organization's workforce is essential to its success and consists of the overall employee efficiency and effectiveness in executing their tasks and responsibilities. According to Ahmad, Halim, and Omar (2016) workforce performance is a measurement of an individual's output and contribution to an organization and it is part of organizational performance. Work performance has been widely studied in the literature and there exist various concepts for measuring it. One of the popular approaches is by classifying its performance into three categories: task performance, contextual performance, and adaptive performance (Usop, 2013). Task performance refers to the degree of effectiveness with which employees perform their core job tasks, while contextual performance includes behaviors that enhance the overall functioning of the organization but are not included in the formal job description. Adaptive performance, in contrast, involves the employee's openness to changing and responding to variations in the work environment. In general, complexities and various aspects exist in workforce performance and these are important to organization performance. Therefore, it constitutes a domain of interest for both researchers and practitioners. Employee performance is a complicated domain and has been the object of a great number of studies in organisational psychology, around 290 through meta-analyses. It is about the efficiencies of the individual as well as the effectiveness of the whole, and is vital to the growth of any business. Personal work performance has been one of the area of interest in the organizational psychology field, such as employee selection, attitude, job-satisfaction, and teamwork, etc. The majority of these individual work performance definitions emphasize employee behavior as a central element (Carpini, Parker, & Griffin, 2017).

1.2. Emotional intelligence

The construct of emotional intelligence (EI) has been one of continuing and ongoing development, debate, and discussion when first introduced in the 1990s (Weinberger, 2014). Emotional intelligence has been identified as a

robust predictor of service performance and as being associated with higher job satisfaction, better relationships and healthier lives (King & Prentice, 2011; Saklofske, Austin, & Minski, 2003; Schutte et al., 1998). According to Hamachek (2000), emotional intelligence is essential in terms of being aware of one's responses to various environments and stimuli, of managing and using feelings effectively, and of identifying the feelings of others. That, and in turn, that helps people this helps people better evaluate. Emotional intelligence could enable people to be emotionally stable in turbulent condition and adapt to an uncertain and even volatile environment of a firm (Yao, Wang, & Karen, 2009). On the other hand, emotionally unintelligent leaders can adversely affect the culture, morale and staff turnover rate of their organization. Emotional intelligence is an idea that has been developed and known since it was first released on the market in the 1990s. It predicts tons of job and life outcomes including service performance, job satisfaction, relationships with others, quality of life (King & Prentice, 2011; Saklofske et al., 2003; Schutte et al., 1998). Hamachek (2000) believes that emotional intelligence is a critically important attribute that allows individuals to self-reflect on why they react the way they do in life, to control how they do feel, and to understanding of how others feel. Emotional intelligence also assists making better judgments and adjusts to the new organizational life (Yao, Wang & Karen, 2009). On the other hand, leaders who do not excel in this area can also have a negative effect on an organisations' culture, morale, and staff retention (Goleman, 1998). In light of the foregoing, emotional intelligence is a valuable construct for explaining and predicting numerous outcomes of human and organizational performance.

1.3. Emotional intelligence and Workforce performance

Emotional intelligence predicts job performance in part because it facilitates coping skills. A number of researches have also shown that those possessing a greater degree of emotional intelligence at work, compared to those who possess lesser degree, are at an advantage (Cherniss, 2010; Van Rooy & Viswesvaran, 2004). For instance, King & Prentice (2011) proved that 'Emotional Intelligence (EI)' was a significant predictor of service performance. Confirmed by Lopes, Grewal, Kadis, Gall, Salovey (2006) that who have high emotional intelligence are able to overcome the pressure well how to cope with the stress in the workplace, and the stronger when faced with adversity. Relationship of emotional intelligence to job satisfaction Emotional intelligence has also been connected to increased job satisfaction (Salovey & Mayer, 1990), improved relationships (Brackett, Rivers, & Salovey, 2011), and enhanced performance at work (Lopes et al., 2006). This is because it can give you a deeper and clearer insight into both yourself and those around you; and in turn, this can improve your communication and decision-making skills as well as value all round performance. PS, emotional intelligence is a good predictor of how well you perform in the workplace because it enhances job satisfaction, relations with others, and overall performance on the job. Businesses can gain from training, coaching, and fostering emotional intelligence among employees.

1.4. Study Objectives

- To study the mediating effect of workforce agility between emotional intelligence and task performance.
- To study the mediating effect of workforce agility between emotional intelligence and contextual performance.

- To study the mediating effect of workforce agility between emotional intelligence and adaptive performance.

1.5. Hypothesis of the Study

- **H01** Workforce agility mediates the relationship between emotional intelligence and task performance.
- **H02** Workforce agility mediates the relationship between emotional intelligence and contextual performance.
- **H03** Workforce agility mediates the relationship between emotional intelligence and adaptive performance.

2. Hypothesis Testing

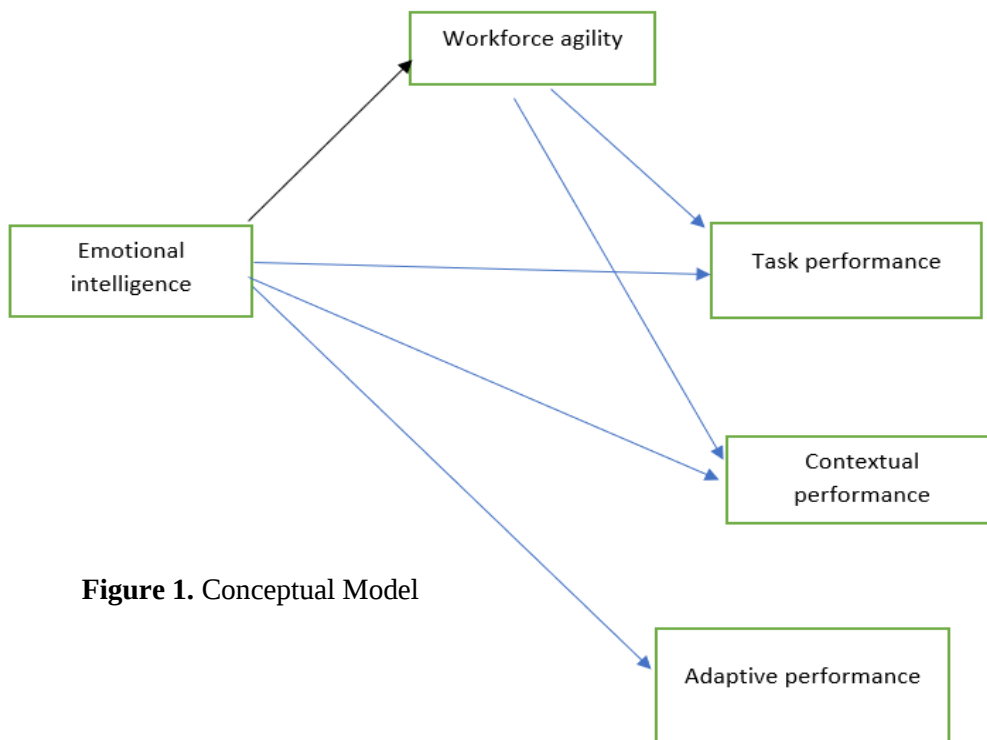


Figure 1. Conceptual Model

Table 1. Demographic profile

Variable	Category	Percentage
Gender	Male	67
	Female	33
Age	Below 35	22
	35-45	30
	45-55	26
	Above 55	22
Experience	Below 5	20
	5-10	26
	10-15	28
	More than 15	26

Education	Graduate	31
	PG	30
	Professional Degree	27
	Others	12

Table 2. Mean SD and relationship

Variable	Mean	SD	1	2	3	4	5
Emotional Intelligence	2.81	.61	(.86)				
Work Force Agility	2.36	.96		(.78)			
Task Performance	3.32	.45			(.68)		
Adaptive Performance	2.96	.32				(.89)	
Contextual Performance	2.63	.45					(.69)

Four variables can be seen that their relationship is relevant. The association between EI and workplace agility has become of great interest to scholars and practitioners. Workforce agility is the capability of an organization to be responsive in an effective manner to changes in its internal and external environment (Hernandez, Eberly, Avolio, & Johnson, 2011). Studies have also indicated that emotional intelligence correlates positively with workforce agility. For instance, Kim and Beehr (2017) revealed that EI was a significant predictor of adaptive performance, one of the key sub-dimensions of workforce agility. Ashkanasy, Zerbe and Hartel (2017) also found that emotional intelligence was positively associated with both personal and organizational adaptability. This association may occur because people with high EI are more capable of controlling their emotions and managing their distress, enabling them to more successfully adapt to changing work conditions (Kim & Beehr, 2017). Furthermore, emotionally intelligent people may be more receptive of learning and feedback that could improve their adaptation skills (Ashkanasy et al., 2017). Task and adaptive performance are both targets of workforce performance, but are different in nature as well as in focus. Task performance is what an employee is actually doing, their core job duty, and how well and efficient they can do, while adaptive performance is the ability of an employee to be adaptive to the changes inside and outside of their work environment. The literature suggests a positive correlation between task performance and adaptive performance. Workers who perform well in their fundamental job functions are also much more adaptable to changes in the workplace because they are built on a stable bed of knowledge and talent. Equally, workers that can adjust to new work circumstances are more likely to perform their key work tasks effectively because they can accustom themselves to new requirements, challenges and constraints. Task performance and adaptive performance are two different dimensions of workforce performance, and they have a different character and focus. Common core task performance is an employee's ability to execute his/her main job duties competently, whereas adaptive performance is the capacity of employees to adapt and react to change in the work context. There is a positive correlation between task performance and adaptive performance according to research. The better their more traditional job performance, the more likely they are to be able to adjust to changes in work conditions because they have a solid base of expertise. In the same vein, workers who are flexible and can

adapt to on-the-job changes will tend to perform their primary job functions well; to the extent an employee can adapt s to the rigors of new demands and challenges, an employer can enjoy relative peace in knowing job duties can be performed effectively. Yet task performance and adaptive performance are not synonymous. Although positively related, they are different constructs highlighting different aspects of workforce performance and call for different competencies. Consequently, organizations should concentrate their focus on both sides of performance, implementing strategies that enhance both task and adaptive performance.

Nonetheless, task performance and contextual performance are not identical. Though related, work engagement and general mental ability are separate concepts capturing different dimensions of work performance and involved qualities. These dimensions of performance need to be underscored by agencies in their strategies designed to enhance both task performance and adaptive performance.

Table 3. Regression

	Task Perfo.		Contextual Perfo.		Adaptive Perfo.	
	Step 1 Beta	Step 2 Beta	Step 1 Beta	Step 2 Beta	Step 1 Beta	Step 2 Beta
EI	.864	.832	.391	.217	.315	.180
WA		0.51		.742		.599

Table 4. Mediation analysis using Preacher & Hayes's Bootstrap Method (Dependent)

	Task Perfo.			Contextual Perfo.			Adaptive Perfo.		
	Coeff	LLCI	ULCI	Coeff	LLCI	ULCI	Coeff	LLCI	ULCI
Indirect Effect	0.05	-0.34	0.462	0.445	0.730	0.450	0.700	0.600	0.413

The purpose of this study was to probe into the relationship of EI and task performance with workforce agility. The results indicated that emotional intelligence and task performance had a significant correlation with workforce agility. Findings: There is no significant mediation effect of workforce agility on the relationship between emotional intelligence and task performance. H1 was rejected, consequently, the original hypothesis was H1. The study determined the impact of workforce agility on contextual performance was significant (beta =.621). Also, there was a significant relationship between emotional intelligence and contextual performance ($\beta = 0.390$). But once work flexibility was adopted as the mediating variable, the relationship between EI and CO was non-significant and the beta value is .741. This provides evidence to support the full mediation of the relationship between emotional intelligence and contextual performance by workforce agility (Hypothesis H2 is supported). The relationship between workforce agility and adaptive performance, as well as the relationship between emotional intelligence and adaptive performance were both statistically significant with (beta) equal to .573 and .314, respectively. An alternate model, involving workforce agility as mediating variable, demonstrates the relationship between emotional intelligence and adaptive performance, being still significant (beta =.182* and

overall impact had a beta of .598. Accordingly, the results indicate that job agility serves as a partial mediator between emotional intelligence and adaptive performance, and thus hypothesis H3 is supported. The study has several limitations to be considered before generalizing its results for small entrepreneurial businesses. One important constraint of the data is, data are self-reported, which are prone to bias. Nonetheless, the participants were informed about the aims of the study by the researchers, who guaranteed absolute anonymity. Furthermore, the sample was restricted to a cohort of small entrepreneur-owned firms in India which would influence the generalizability of the findings. As the sample was drawn from various sizes and industries, the sample size was, however, relatively small and may not represent all small-size companies.openhypotheses.org. Additionally, the study was cross-sectional and does not reflect the full picture at a given time point. Future work may need to utilize longitudinal designs and bigger and more varied samples to get over these restrictions. In addition, other attitudinal constructs through which the relationships between emotional intelligence, workforce agility, and performance in small entrepreneurial enterprises could also be further investigated.

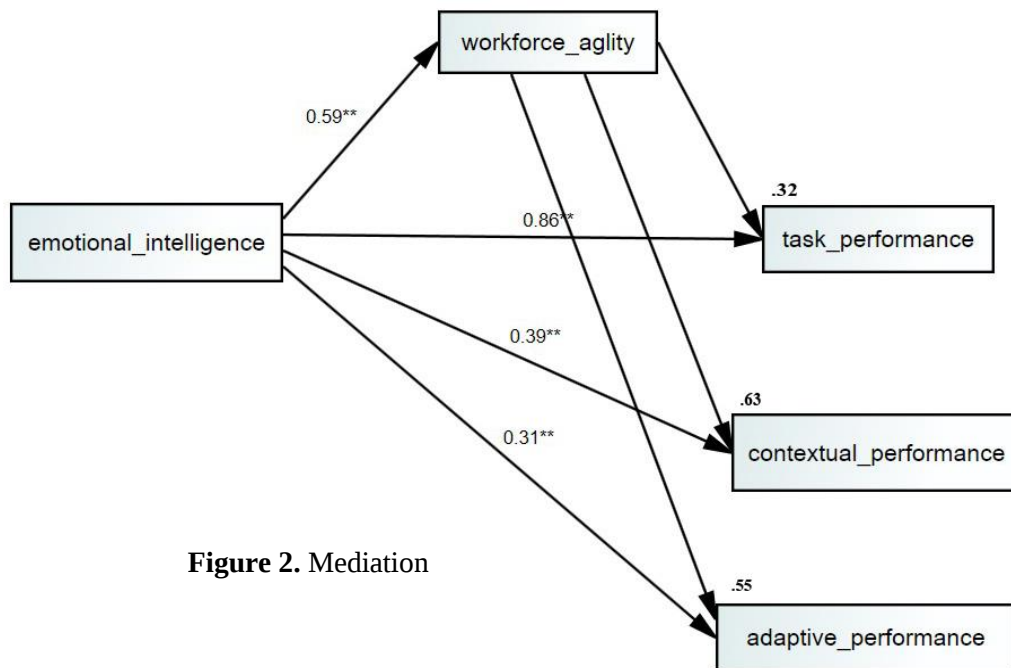


Figure 2. Mediation

According to the study, workforce agility has a complete mediating effect on contextual performance and a partial mediating effect on adaptive performance, but it does not affect task performance. The study also found that emotional intelligence, adaptive performance, and contextual performance are significantly related. However, when workforce agility is taken into account, the relationship among these factors becomes partially or completely insignificant. This suggests that workforce agility plays a crucial role in mediating the influence of emotional intelligence on individual adaptive and contextual performance.

2.1. Key Suggestions Based on the Study Findings

1. Promote Emotional Intelligence (EI) Training

- Implement workshops or coaching sessions to enhance employees' emotional intelligence, as it positively influences adaptive and contextual performance through workforce agility.

2. Foster Workforce Agility

- Encourage practices like cross-functional training, flexible role assignments, and continuous learning to help employees adapt to changing work environments, thereby improving performance.

3. Focus on Adaptive and Contextual Performance

- Design performance metrics and incentives that reward behaviors like teamwork, problem-solving, and adaptability, which are critical for small firms in dynamic markets.

4. Enhance Communication and Transparency

- Maintain open communication channels to help employees understand organizational goals and challenges, fostering a proactive and agile workforce.

5. Invest in Collaborative Team Activities

- Organize team-building exercises and collaborative projects to strengthen interpersonal skills and agility, which mediate the relationship between EI and performance.

3. Conclusion

It was advocated in the research that workforce agility should be developed by small business enterprises through its continuous efforts. Encourage an environment of team work and protection of "team" efforts: Promote team activities. This can foster teamwork in agile workers and proactive and adaptive behaviors among employees.

Small organizations HR leaders can concentrate on these practices to create a more resilient workforce. The findings underscore the relevance of developing agility practices within the workforce that lead to long-term organizational agility. This is possible by opening the lines of communication and sincerely communicating with employees about the organisation's and also the business' position as this will help employees comprehend the issues and what needs to be done. Further, intelligently conceived interventions such as cost-effective workshops and training programs can lay a bedrock to encourage agility facets. Furthermore, intellectual agility is identified by the study as a mediating factor between emotional intelligence and performance, highlighting the need to strike a balance between the contingent demands and work context in an ever-changing workplace environment. Research findings indicate that in order to develop proactivity and adaptability characteristics among employees, small businesses would benefit from incorporating collaborative team activities. This research focuses on digital platform, which is considered a key driver of the value of an agile workforce in SMEs. It's an underpinning and an envelope for lots of different applications and supports agile workers in requiring controlling your optimization of your firm. Managers must be able to make use of knowledge of internal and external to design projects that lead to results and enable teamwork. There are some organisational practices that the organisations have to use in order for the results to obtain and a number of them were included in the research. The research has confirmed the role of emotional intelligence in explaining several job performances among employees in small entrepreneurial companies. This emphasizes the need for managers to be aware of the relationship between individual behavior

and work behaviors on an organizational level. Zusammenfassung Eine partizipative und personenorientierte Führung, durch welche selbstorganisierende Einheiten mit wechselnden Positionen geschaffen werden, fördert die Flexibilität am Arbeitsmarkt reinforcements. It is also possible for leaders to create an informal and collegial environment in a small firm by imparting knowledge, creating new tasks, or rewarding group work. It is also essential for entrepreneurs to realize the strategic essentials of managing small businesses soundly as businesses start-ups have high rates of failure in their first few years in operation. Team members play a crucial role in smaller organizations, and emotional intelligence and workforce agility are vital in their survival.

Declarations

Source of Funding

This study received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

Competing Interests Statement

The authors declare that they have no competing interests related to this work.

Consent for publication

The authors declare that they consented to the publication of this study.

Authors' contributions

Both the authors took part in literature review, analysis, and manuscript writing equally.

Availability of data and materials

Authors are willing to share data and material on request.

Institutional Review Board Statement

Not applicable for this study.

Informed Consent

All participants in this study voluntarily gave their informed consent prior to their involvement in the study.

Acknowledgments

The authors acknowledge all involved parties in this study.

References

- Ahmad, N.H., Halim, H.A., & Omar, W.Z.W. (2016). The relationship between emotional intelligence, job satisfaction, and organizational commitment among teachers. *Journal of Social Sciences and Humanities*, 1(4): 251–258.
- Ahmad, S.S., Halim, H.A., & Omar, N.A. (2016). Workforce diversity and organizational performance: A study of information and communication technology (ICT) organizations in Malaysia. *Journal of Information and Communication Technology*, 15(2): 109–131.

Baporikar, N. (Eds.) (2021). Handbook of research on sustaining SMEs and entrepreneurial innovation in the post-COVID-19 era. IGI Global.

Dhanabhakym, M., & Joseph, E. (2022). Digital permissive management for aggregate and sustainable development of the employees. *International Journal of Health Sciences*, 6(1).

Dhanabhakym, M., & Joseph, E. (2022). Digitalization and perception of employee satisfaction during pandemic with special reference to selected academic institutions in higher education. *Mediterranean Journal of Basic and Applied Sciences*.

Dhanabhakym, M., & Joseph, E. (2021). Conceptualizing Digitalization in SMEs of Kerala.

Dhanabhakym, M., Joseph, E., & Monish, P. (2022). Virtual Entertainment Marketing and its Influences on the Purchase Frequencies of Buyers of Electronic Products.

Doeze Jager-van Vliet, S.B., Born, M.P., & Van der Molen, H.T. (2019). Using a portfolio-based process to develop agility among employees. *Human Resource Development Quarterly*, 30(1): 39–60.

Joseph, E. (2023). Assessing Consumer Purchase Intentions and Satisfaction Levels within the FMCG Sector.

Joseph, E. (2023). Underlying philosophies and human resource management role for sustainable development. In *Governance as a Catalyst for Public Sector Sustainability*, Pages 286–304, IGI Global.

Joseph, E. (2024). Evaluating the Effect of Future Workplace and Estimating the Interaction Effect of Remote Working on Job Stress. *Mediterranean Journal of Basic and Applied Sciences*, 8(1): 57–77.

Joseph, E. (2024). Resilient Infrastructure and Inclusive Culture in the Era of Remote Work. In *Infrastructure Development Strategies for Empowerment and Inclusion*, Pages 276–299, IGI Global.

Joseph, E. (2024). Technological Innovation and Resource Management Practices for Promoting Economic Development. In *Innovation and Resource Management Strategies for Startups Development*, Pages 104–127, IGI Global.

Joseph, E. (2025). Impact of Hybrid Entrepreneurs on Economic Development and Job Creation. In *Applications of Career Transitions and Entrepreneurship*, Pages 61–82, IGI Global Scientific Publishing.

Joseph, E. (2025). Leveraging AI to Inspire Innovation in Traditional and Digital Business Ecosystems. *Journal of Business Ecosystems (JBE)*, 6(1): 1–18. <https://doi.org/10.4018/jbe.383049>.

Joseph, E. (2025). Public-Private Partnerships for Revolutionizing Personalized Education through AI-Powered Adaptive Learning Systems. In *Public Private Partnerships for Social Development and Impact*, Pages 265–290, IGI Global Scientific Publishing.

Joseph, E. (2025). Sustainable Development and Management Practices in SMEs of Kerala: A Study among SME Employees (February 20, 2025).

Joseph, E. (2023). The connection between the nature of work-life and the balance between interceding job of occupation stress, work satisfaction and work responsibility.

- Joseph, E., & Dhanabhakym, M.M. (2022). Role of Digitalization Post-Pandemic for Development of SMEs. In Research anthology on business continuity and navigating times of crisis, Pages 727–747, IGI Global.
- Joseph, E., Koshy, N.A., & Manuel, A. (2025). Exploring the Evolution and Global Impact of Public-Private Partnerships.
- Joseph, E., Shyamala, M., & Nadig, R. (2025). Understanding Public-Private Partnerships in the Modern Era. In Public Private Partnership Dynamics for Economic Development, Pages 1–26, IGI Global Scientific Publishing.
- Liao, Y., Hong, W., Liu, D., & Li, Y. (2017). Employee creativity, job crafting, and proactive personality: The moderating role of supervisor's emotional intelligence. *Journal of Business Research*, 81: 100–110.
- Mandhanya, V., & Verma, S. (2019). Impact of emotional intelligence on employee performance in SMEs. *International Journal of Entrepreneurship*, 23(4): 1–9.
- Pradhan, R.K., & Jena, L.K. (2020). Workforce agility: An integrative review and research agenda. *Journal of Business Research*, 112: 105–117.
- Sherehiy, B., & Karwowski, W. (2014). The relationship between workforce agility and safety climate: A case study of a manufacturing company. *Applied Ergonomics*, 45(2): 291–301.
- Shetty, N., & Shankar, N. (2019). Exploring the relationship between emotional intelligence and employee performance in small and medium enterprises. *Vikalpa: The Journal for Decision Makers*, 44(3): 165–180.
- Usop, H., Maeda, S., Kadtong, S., & Usop, M. (2013). The effect of job demands and job control on work performance: The role of psychological strain as a mediator. *Procedia-Social and Behavioral Sciences*, 97: 610–617.
- Usop, M.M., Maeda, S., Kadtong, K., & Usop, H. (2013). Three-dimensional model of individual work performance: An empirical study in Malaysian organizations. *Journal of Applied Psychology*, 2(2): 43–61.